No. 667

Introduced by Senator Migden

February 22, 2005

An act to amend Section 10501 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 667, as introduced, Migden. Public contracts: competitive bidding: University of California.

Existing law requires the Regents of the University of California, except as specified, to let any contract for a project to the lowest responsible bidder. For these purposes, "project" includes the erection, construction, alteration, repair, or improvement of any University of California structure, building, road, or other improvement that will exceed in cost a total of \$50,000.

This bill would allow the University of California to select, as provided, the lowest responsible bidder for a project on the basis of price, qualifications, relevant experience, and demonstrated management competency, as determined by the university.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10501 of the Public Contract Code is
- 2 amended to read:
- 3 10501. (a) Except as otherwise provided in this article, the
- 4 Regents of the University of California shall let any contract for
- 5 a project to the lowest responsible bidder or else reject all bids.
- 6 However, if

 $SB 667 \qquad \qquad -2-$

(b) The lowest responsible bidder may be selected on the basis of the best combination of price and qualifications, including financial condition, relevant experience, and demonstrated management competency as determined by the university according to published selection standards.

- (c) If one or more of the bids is substantially equal to the lowest bid, and at least one of those bidders is a disadvantaged business enterprise, a women business enterprise, or a disabled veteran business enterprise, the regents may award the contract in accordance with the policies and procedures adopted pursuant to Section 10500.5.—If
- (d) If the regents deem it to be for the best interest of the university, the regents may, on the refusal or failure of the successful bidder for a project to execute a tendered contract, award it to the second lowest responsible bidder. If the second lowest bidder fails or refuses to execute the contract, the regents may likewise award it to the third lowest responsible bidder.